

Recommendations and Responses Regarding Initial Draft Rules

Washington Forest Protection Association/American Forest Resource Council

Thermal Conversion

Request: CETA specifies that T-RECs be measured in British thermal units (BTUs), while thermal energy is usually measured as pounds of steam. While there are numerous ways to calculate the real-time conversion of pounds of steam to BTUs, most are quite complicated and would add unnecessary complexity and expense. The rules should instead allow for the use of a fixed conversion factor that can be tailored to the operations of the generating facility. This would simplify administration while sacrificing minimal precision, increase transparency, and allow for more accurate third-party auditing.

Response: TBD

Treatment of Condensate

Request: Condensate resulting from the cooling of steam used for electrical generation and other associated uses (i.e., kiln drying) should not be considered thermal energy when returned to the boiler. Condensate is a byproduct of energy production and does not create a net positive energy value.

Response: TBD

Monetization Dates

Request: Commerce should explore ways to value T-RECs prior to the 2030 compliance date. Significant upfront investment is necessary to complement the overall implementation of CETA. If this is beyond the scope of this rulemaking, we ask Commerce to recognize this potential bottleneck and engage in other opportunities to monetize these investments prior to 2030.

Response: Efforts to advance T-REC valuation prior to the 2030 compliance date are outside the scope of this rulemaking, and will presumably require additional legislation.

Pairing T-RECs and Other RECs

Request: Rules should not require that T-RECs be paired with conventional RECs, and provide credit for these unpaired T-RECs.

Response: Our understanding is that T-RECs are unbundled and not tied to electrical RECs. If this is perceived as a problem please help us understand your perspective.

Legislative Report

Request: Commerce should consider a report to the legislature on how T-RECs or similar mechanisms could further incentivize use of woody biomass for energy development.

Response: Though Commerce lacks the resources to prepare such a report at this time, we appreciate the suggestion.

Renewable Northwest/Northwest Energy Coalition

Request: Clarify T-RECs do not count towards biennial conservation targets to prevent double counting.

Response: As conservation targets are associated with electricity generation, we don't see a risk of obligated parties double counting their compliance requirements via T-RECs.

Alliance of Western Energy Consumers/WestRock

Request: T-RECs created in compliance with Oregon's rules also compliant with Washington's rules.

Response: We agree that there is substantial value in aligning T-REC rules in Washington and Oregon to the extent possible, though Washington needs to retain flexibility. Commerce is always open to suggestions as to how we might improve consistency in the regional T-REC marketplace.

King County

Request: Recognize that "animal waste" includes sewage so municipal wastewater treatment plants are eligible to utilize T-RECs for heat resulting from cogeneration.

Response: While the only definitions of "animal waste" that occur in state code pertain to biomedical waste and commercial animal feed, from a regulatory perspective there's a consistent distinction between humans and animals throughout waste-related sections of code. Based on this precedent, as well as our understanding of the common usage of these terms, T-RECs associated with electrical generation from landfills or wastewater treatment facilities would not qualify.